

5. If the equipment does not meet the standards of performance within sixty (60) consecutive working days after the start of the acceptance testing, the State shall either, invoke the options as shown in paragraph 4. above, or terminate the order (or portions thereof) and seek relief as provided by Paragraph 26, of the Terms and Conditions "Rights and Remedies of State for Default".
6. During the successful performance period, a minimum of 40 hours of operation use time shall be required as a basis for computation of the average level of availability. However, in computing the availability level, the actual number of operational use hours shall be used when in excess of the minimum stated above.
7. At the request of the Contractor, the State shall make available not only the failed equipment, but also those machines which must be utilized by the Contractor to identify the cause of failure and to accomplish the repair.
8. Equipment shall not be accepted by the State and no charges associated with such equipment shall be paid by the State until the equipment has satisfactorily completed the acceptance tests.
9. Immediately upon successful completion of the acceptance tests, the State will authorize appropriate payment. The State shall maintain adequate daily records to satisfy the requirements of acceptance testing.
10. In no event will equipment be returned under this paragraph where the State has damaged the equipment, rendering the equipment unsuitable for resale.

B. Acceptance Testing of Software (other than Operating Software)

1. Immediately upon delivery by the Contractor of a software product, the State shall test such software product, in accordance with the following:
2. On the first State workday following the day of delivery, or installation, by Contractor, the State shall thoroughly test such software to be assured that the software performs in substantial accordance with the manufacturers published specifications and, if purchased as a result of a network design by the vendor, to ensure the software is adequate to accomplish the tasks identified in the Network Planning Guide or Questionnaire.
3. If successful completion of the acceptance test is not attained within thirty (30) calendar days after the start of the acceptance testing, the State shall have the option to request substitute software, cancel that portion of the contract which relates to the unaccepted software, and receive a refund of any moneys paid to the vendor, or continue the acceptance tests. The State's option shall remain in effect until such time as the tests are successfully performed, 60 consecutive working days from date of delivery or installation, whichever occurs first.

4. If the software does not meet the standards of performance within thirty (30) consecutive working days after the start of the acceptance testing, the State shall either, invoke the options as shown in paragraph 3. above, or terminate the order (or portions thereof) and seek relief as provided by Paragraph 26, of the Terms and Conditions "Rights and Remedies of State for Default".
5. Software shall not be accepted by the State and no charges associated with such software shall be paid by the State until the software has satisfactorily completed the acceptance tests.
6. Immediately upon successful completion of the acceptance testing, the State will authorize appropriate payment. The State shall maintain adequate records to satisfy the requirements of acceptance testing.

U1. SOFTWARE LICENSE

1. For each software product to be carried in the Store, the Contractor will provide to the State, at the time of delivery of the software, the standard software license issued by the proprietary owner of the software.
2. In the event any of the licenses contain provisions unacceptable to the State, the Contractor agrees to give his best efforts to assist in obtaining acceptable alternative license provisions from the proprietary owner of such software product.
3. The Contractor shall, in the event of a software manufacturer's release of upgrades to software. products carried by the Store, provide such upgrades as part of the Store's available products. In those instances where the software manufacturer is normally the only source for the software upgrades available through the Store, *the Contractor shall make every reasonable effort to make the software upgrades available through the store.*
4. The Contractor agrees to add software site licensing programs with major software manufacturers if agreed upon by the State and the software manufacturers.

V1. TRANSITION

1. The supplier agrees that at the end of this contract, should the State conduct another procurement and award a new contract, the supplier will work with the State's Contract Administrator ensuring that an efficient and effective transition takes place.

XI. SMALL BUSINESS

1. Supplier(s) will provide the States Contract Administrator with State of California Small Business Certification for all subcontractors that claim to be a Small Business.
2. When requesting to add a Certified Small Business subcontractor to this agreement, the Small Business Certification letter must accompany the request.
3. All Certified Small Business subcontractors must be identified as such in the electronic, hardcopy and CD ROM catalog.
4. By the *fifteenth (15th)* workday of each month, or the next workday thereafter, supplier must provide the State a report showing, for each ordering agency, the dollar volume of sales by Certified Small Business.
5. *The Supplier agrees to work with the State Contract's Administrator to establish procedures regarding the pass through credit of small business participation to customer agencies.*

PART TWO

A2. TECHNICAL REQUIREMENTS

1. Supplier must propose and maintain complete manufacturer product lines for the term of the contract. In proposing the product line for a manufacturer of system units or if offering UNIX workstations, the supplier must propose monitors, keyboards, printers, disk drives, laptops, network interface cards, network wiring equipment, tape backup units, and other available equipment within the product lines.
2. Upon request, the supplier agrees to submit manufacturer's technical literature for any or all systems and products proposed. Technical literature for any product or service must be supplied to State RFP evaluation team within five working days of request. If the manufacturer's literature does not verify all the technical specifications, the supplier must certify the product meets the RFP specification. These certifications that the proposed product meets the RFP requirement are binding on the supplier.
3. It is the supplier's responsibility to notify the State in writing of any situation where the suppliers response to this RFP does not or may not fully comply with any requirement of this RFP. Failure to do so may be treated as a material deviation and result in rejection of the supplier's proposal.

B2. SYSTEM UNITS

1. Supplier agrees to provide, at a minimum, the following four manufacturer brands of system units: Compaq, Hewlett Packard, IBM and Toshiba. These manufacturers are based on the current purchasing pattern of state agencies. Additionally, these product lines must encompass both single and network capable units.

c2. WINDOWS NT/2000 WORKSTATIONS

1. Supplier agrees to provide, at a minimum, the following two manufacturer brands of Windows NT/2000 Workstations: Hewlett Packard and IBM

D2. PERIPHERAL EQUIPMENT

1. The supplier agrees to provide at a minimum, product lines from Compaq, IBM, Sony and Hewlett Packard.
 - a line of internal and external hard disks in a range of sizes
 - a line of internal and external floppy disks in all sizes and formats
 - a line of CD ROM in all sizes and formats

2. in addition to the product lines from the system unit manufacturers, the supplier agrees to provide a product line from at least two other monitor manufacturers whose product line includes at least two:
 - Super VGA color monitors for DOS/Windows environment system unit
 - Color monitors for Macintosh environment system unit
 - Low emission monitors
 - Low energy or recyclable (Federal EPA Standards)
3. Supplier agrees to provide at least two manufacturer brands of plotters.
4. Supplier agrees to provide at least three manufacturer brands of scanners.
5. Supplier agrees to provide product lines from at least two manufacturer brands of external modems.

E2. ADD-ON BOARDS, MEMORY AND MEMORY UPGRADES

1. In addition to the internal boards available from the system unit manufacturers, the supplier agrees to provide at a minimum product lines from Kingston and MPM Goldenram and *other manufacturers* whose combined product lines include, at a minimum:
 - internal modems and data/FAX modems
 - video/display boards
 - accelerator boards
 - printer controller boards
 - multifunction boards
2. Supplier agrees to maintain for the term of the contract, memory and memory upgrades for all system units proposed. In addition, supplier agrees to provide two additional manufacturers of memory and memory upgrades.

F2. NETWORK EQUIPMENT

1. In addition to the network equipment available from the system unit manufacturer, the supplier agrees to provide product lines from at least three manufacturers of network equipment capable of running with the network operating systems provided, whose combined product lines include at least the following items:
 - Network Bridges
 - Network Routers
 - Network Gateways

2. In addition to the network interface cards available from the system unit manufacturers, the supplier agrees to provide product lines from at least three additional manufacturers of add-on boards whose combined product lines contain Network Hubs, Network Concentrators and Network Interface Cards compatible with the system units provided and with software drivers for the network operating systems proposed.
3. In addition to the product lines provided for above, the supplier agrees to provide product lines from at least three manufacturers of network interface cards compatible with the hubs and concentrators from the manufacturers provided above, and compatible with the system units.
4. The network interface cards provided must support IEEE 802.5 Token Ring running on shielded and unshielded twisted pair wiring or IEEE 802.3 Ethernet running on thin coaxial and unshielded twisted pair wiring. Cards supporting unshielded twisted pair wiring shall be 10 Base T.
5. In addition to the network interface cards available from the system unit manufacturers, the supplier agrees to provide the product lines from at least three additional manufacturers of add-on boards whose product line of network hubs, network concentrators, and network interface cards support Local Talk running on unshielded twisted pair wiring and be compatible with all system units provided for the Macintosh environment.

G2. HOST COMMUNICATIONS

Supplier agrees to provide at least three manufacturers of host communication products whose product lines contain 3270 and VT emulation products and will work in the Macintosh and Windows environments.

H2.. PRINTERS

1. In addition to the printers from the system unit manufacturers, the supplier agrees to provide product lines from at least two other printer manufacturers.
2. Within the product lines from all printer manufacturers, including the system unit manufacturers, the supplier agrees to provide at least two manufacturer brands of laser printers.
3. Within the product lines from all printer manufacturers, including the system unit manufacturers, the supplier agrees to provide at least one printer product line with two or more models supporting the HP PCL page description language.

4. Within the product lines from all printer manufacturers, including the system unit manufacturers, the supplier agrees to provide at least one printer product line, with two or more models supporting the Post Script page description language.
5. Product lines must include color printers using color ink jet and/or dye sublimation printing methods.
6. Supplier agrees to include levels of mid to high-end color laser printers.

I2. ACCESSORIES

1. Supplier agrees to provide at least two manufacturers of other accessory equipment whose combined product lines typically contain:
 - anti-theft locking devices for each model system unit
 - disk holders for all disk sizes
 - power devices
 - installation kits
 - special expansion devices
 - cables for connecting peripheral equipment to all system units proposed
 - sheet feeders and paper trays for printers proposed
 - monitor anti-glare devices with and without grounding protection from EM
 - printer font cartridges for each type of printer proposed
 - printer stands, covers, and enclosures
2. Supplier agrees to provide the product line from at least two manufacturer brands of external surge protectors whose combined product line contains at least one six socket surge protector.

J2. SOFTWARE

1. The supplier agrees to provide desktop software products for the Windows and Macintosh, both single user and network versions.
2. At a minimum, supplier agrees to maintain for the term of the contract, the following network operating system product lines: Novell, Windows 2000, Windows NT, and Macintosh.
3. During the term of the contract, supplier agrees to work with the State Contract Administrator to institute software site licensing programs.
4. No **groundup** software development is allowed in this contract

K2. SUPPLIES

Supplier agrees to provide supplies either through the store or through a sub-contracting partnership. At a minimum, **the** supplier must propose:

- a full line of printer supplies including ribbons, etc., for each printer proposed

- diskettes in all sizes for proposed system units
- backup tape cassettes or cartridges
- paper including labels and transparency materials

L2. PRIME CONTRACTOR RESPONSIBILITY

The Prime Contractor accepts full responsibility for coordinating and controlling all aspects of the contract, including support to be provided by any sub and/or secondary contractors, and will be the sole point of contact with the State relative to contract performance. If this performance involves the use of one or more program products proprietary to another supplier, the Prime Contractor will be responsible for acquiring a license for the State's use of such program products. If any proposal includes equipment or services provided by other firms, it will be mandatory for the bidder to act as Prime Contractor for the delivery, and maintenance of the entire system.

In all contractual matters, the State considers the Prime Contractor to be the sole point of contact. There will be no assignment of financial documents to a third party without prior written DGS approval.

M2. ***REQUIREMENT DELETED***



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PART THREE - Response

A3. Customer Service Center

Structure

**Section VI, A3, 1
Customer Service Center**

MicroAge of Sacramento has been serving the State of California and many other governmental organizations for twenty years. As discussed in our infrastructure improvements document, we have added significantly to our organization over the past twelve months. The organization as shown in Exhibit 0 exists, those people shown are presently employed or contracted by MicroAge of Sacramento and live in the Sacramento area. They are fully trained and perform daily tasks much the same as those required by this contract. They work with customers, they configure systems and networks, they review and enter orders for equipment and services, and they build relationships. So, our structure exists, our staff exists, our experience exists, our website and catalog exists, our relationships exist. We are well prepared to take on this contract.

We understand the need to process dozens of orders daily and we presently operate in that mode. We know the value of being on the customers' site, aiding in their planning and budgeting. We presently support a number of government contracts and are compliant in the reporting and maintenance requirements.

Our existing structure lends itself well to the structure we will have upon contract startup. The CSR's and Technical Consultants will report directly to the General Manager. The Director of Contract Compliance and Business Development will report directly to the President of MicroAge of Sacramento, as does the General Manager. The Catalog Coordinator reports to the Director of Contract Compliance. The six NSE's and the two web developer SE's report to the Director of Professional Services who will make assignments as received from the General Manager. This is much the way our organization functions presently in our CMAS and other contract activities.

As the Customer Service Center and the State Store Website and Catalog are dedicated efforts for this contract, there are many tasks to be accomplished prior to opening the new State Store. Many of these tasks have been completed over the past six months. We have included these elements in our Implementation Plan, which is Exhibit 40.

Start up Staffing

**Section VI, A3, 1
Customer Service Center**

Upon opening, we plan to staff for this contract as we propose in Exhibit 0. We will fill

RFP DGS 9014

any open positions that may remain as we expect the availability of quality people to be greater once the winners of this contract are announced.

We feel that the staff that are assigned as primary to the State Store will represent some overstaffing at the time of launch. However, having the entire group working together will prove advantageous as the workload increases.

At launch, we plan to have the Technical Consultants both on customer sites and at the Customer Service Center. Three of the seven proposed will be located in the Center assigned to Customer Service functions; the forum, telephone calls, e-mail responses, order configuration and verification, **HumanClick** and other miscellaneous functions. These numbers can be altered quickly once trends become established. The System Engineers and others who are assigned to support of this contract will provide the necessary back up.

The six CSR's will be permanently located at the Customer Service Center. They will be primarily engaged in customer service, purchasing, and order processing functions. These are experienced and fully trained personnel, most who have been performing these functions for a long time.

We plan to monitor these assignments closely to ensure both the Customer Service Center and the customer sites are receiving service at a high-quality level. Any changes required due to an increase in the business or increasing on-site requirements can be made immediately.

All of the personnel assigned to the State Store operation have been named and are aware of these probable new assignments. Each will be fully trained in not only their own duties and responsibilities, but on those duties of others.

Plan For Business Fluctuations

Section VI, A3, 1
Customer Service Center

We have considered this issue and determined that business fluctuations can occur in several areas. Each area will require a somewhat different management response to ensure the business operates smoothly and complete customer satisfaction is achieved. Diligent monitoring and tracking of the staffing groups will be done to determine which of the following possibilities may be occurring: See Exhibit 00

An increase in orders with the resulting increase in order entry and purchasing resource requirements, and an increase in order status queries.

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These are primarily CSR functions. In addition to the six CSR' proposed, we have named five additional persons on our staff as stand-by State Store staff to fill in if the workload increase is in this area. All five are trained and qualified to perform all the duties of a CSR. We can add as many of these five people as needed to maintain a high level of customer service and meet all requirements of this contract.

An Increase in Requests for Customer Services (Special Pricing, Account Visits, Catalog Help, Traffic on Website, Agency Specific Catalogs, etc.)

These are duties of either CSR's or Technical Consultants. In addition to the thirteen staff members proposed in these positions, we have named seven standby persons to fill in when the workload increases in this area. Five of these are qualified CSR's and two are Technical Support. The latter are trained and experienced in Web Development. They can offer high quality support for customers needing support in these areas. We can also, on a temporary basis, bring those Technical Consultants who are on customer sites back into the office during the workload peak.

An increase in Customer Service Center Requirements (Phone, e-mail, forum, pricing, consulting, purchasing, order and configuration verification)

This represents a general workload increase, such as that which happens near the end of the fiscal year. These are duties of both CSR's and Technical Consultants. In addition to the thirteen staff member proposed in these positions, we have named seven standby persons to fill in when the workload increases in this area. Five of these are qualified CSR's and two are Technical Support. The latter are trained and experienced in Web Development. They can offer high quality support for customers needing support in these areas. We can also, on a temporary basis, bring those Technical Consultants who are on customer sites back into the office during the workload peak. If this increase appears to be permanent, recruiting for both CSR's and Technical Consultants will begin.

An increase in consulting and planning activities with customers, requiring greater on-site presence.

These are primarily duties of the Technical Consultants. Our first response to this workload increase would be to add to the four Technical Consultants in the field by moving one or all of the three assigned to the Customer Service Center into the



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customer sites. Further, we would move the two stand-by Technical Support persons to the Customer Service Center, and possibly one or more CSR's to ensure the level of services provided by the Customer Service Center does not degrade. System Engineers could also be assigned to either customer sites or the Customer Service Center during the peak workload time. We would also be prepared to bring technical resources in from our sub-contractors at our own expense, assign them either to customer sites or to the Customer Service Center. If this increase appears to be long-term or permanent, recruiting for additional Technical Consultants will begin.

An increase in requirements for Network Consulting, Network Questionnaire, Network and Workstation Planning Guides.

These duties are those of our Network System Engineers. Some of these functions are "no fee" services, and some are contracted services. With our sub-contractors, we have dozens of NSE's, SE's and/or Sr. Advanced SE's available here in the Sacramento Area as well as throughout the state. We plan to utilize as many of these highly qualified and certified persons as necessary to accomplish the workload requirements. We are constantly watching the job market for talented people in these job categories, and supplement our staff when we locate one of these individuals.

Please also note that all persons (12) on the Organization Chart (Exhibit 0) in the tangerine color are support staff for the State Store. Although they have other assignments also, any of this group can be called on to perform whatever State Store functions are necessary in the short term. This group represents many of our best sales, technical, and management personnel, and they are highly qualified. Whatever the case, we understand the requirements as stated in RFP DGS 9014 for both Technical Consultants and Network System Engineers. The personnel we assign to these duties will always meet the requirements of the contract.

Section VI, A3, 1
Customer Service Center

We propose to name the new virtual store "MicroAge Sacramento State Technology Store". We feel this proposed name not only separates the new store from previous efforts, and further emphasizes this new alliance created by this contract.

Section VI, B1
Customer Service Center



RFP DGS 9014

MicroAge of Sacramento will establish a Customer Service Center at our existing location on Striker Avenue in Sacramento, which will exceed the requirements of this contract. The customer service center will be established and staffed with personnel experienced in supporting California state and local government customers. We feel this is a crucial distinction in our proposal that our staff is local and has already established relationships with many of same customers that presently use the State of California microcomputer store. The customers of the MicroAge Sacramento State Technology Store will be supported by a call center located at this address. We are not proposing any services that will be delivered from another state or by personnel not experienced with government. MicroAge of Sacramento Customer Service Center is a modern and convenient facility, which will be set aside for the exclusive use of customers of this contract.

There will be twenty (22) staff members with primary assignment to this customer service facility. There are another twelve (12) staff members who have specific assignments under this contract and will spend significant time on those functions, as well as other duties. Most Technical Consultants and Network System Engineers will spend their time with customers on-site. Typically the customer service facility will house the Customer Service Representatives, Technical Consultant(s), Catalog Coordinator, System Engineer(s), the Contract Compliance Director, and the General Manager.

This primary contract staff is immediately backed-up our stand-by staff as well as the Account Managers, Services Coordinator, the Director of Professional Services, Technical Support personnel, (Web Developer), the Director of Marketing, the President of MicroAge of Sacramento and the Receptionist. Further, our Subcontractors for Network Services, Web Services and Warranty give us statewide support for those functions.

Section VI, A3, 1
Customer Service Center

MicroAge of Sacramento proposes for the Customer Service Center, the location at 819 Striker Ave., Suite 16. This location consists of 1772 square feet dedicated to the new Customer Service Center with an additional 5741 square feet of shared/common area. This site is only about 5 miles from downtown Sacramento. Ample parking is available.

The Floor Plan and Location Plan attached (Exhibits 1 & 2) shows the design of this location. This includes a sufficient reception area, a warranty station and a technology showcase. We feel this will offer an excellent environment of customers to take care of their business. Several other 3D views of our site layout are also included.



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Section VI, A3, 1
Customer Service Center

We have established a separate area as the Technology Showcase/Lab. Here MicroAge of Sacramento and our vendors will showcase selected approved new products and technologies in all categories for viewing and test-drives by customers or prospective customers of this contract. The Lab will allow MicroAge of Sacramento to test and benchmark custom configurations specific to client needs.

Close-by is the seminar/meeting room that seats about 30 people, and a copy/fax room with supplies. These areas will be available for use by customers of this contract

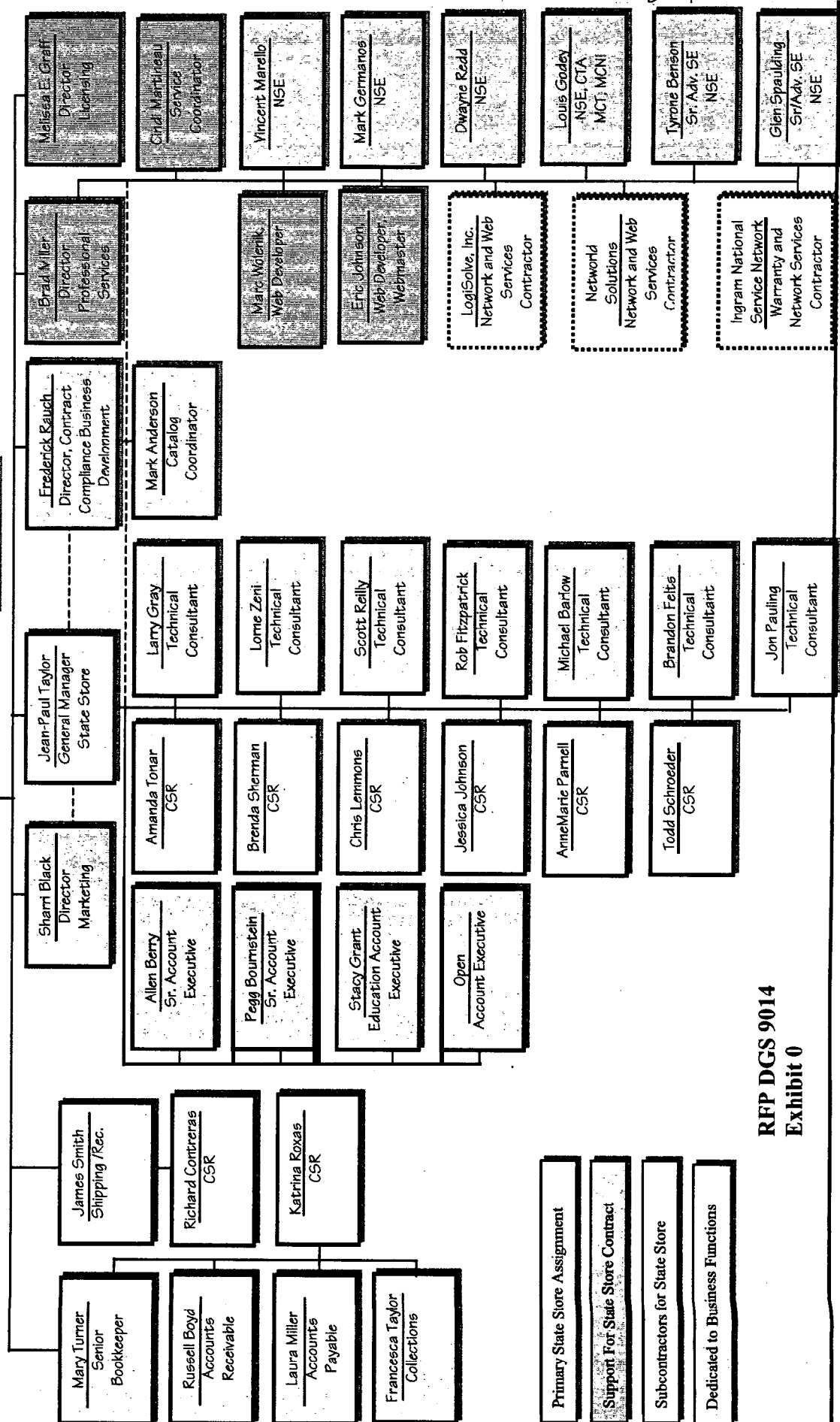
A kitchen area with appliances and vending machines is also available for customer use. We will ensure that refreshments and coffee are always available.

Proposed State Microcomputer Store Organization Including Customer Service Center

Section VI,
Part Three, B3

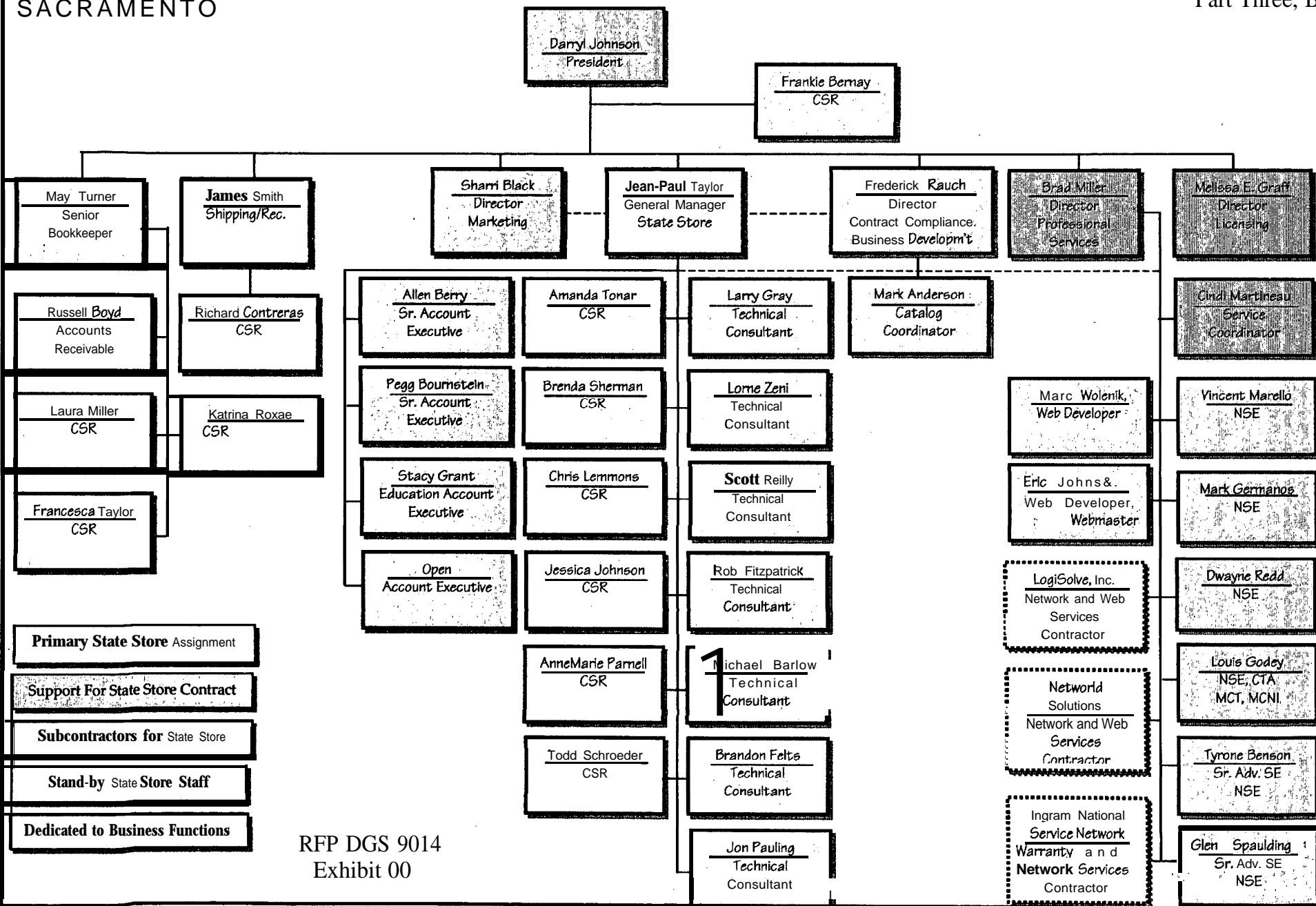
Darryl Johnson
President

Frankie Bernay
Receptionist

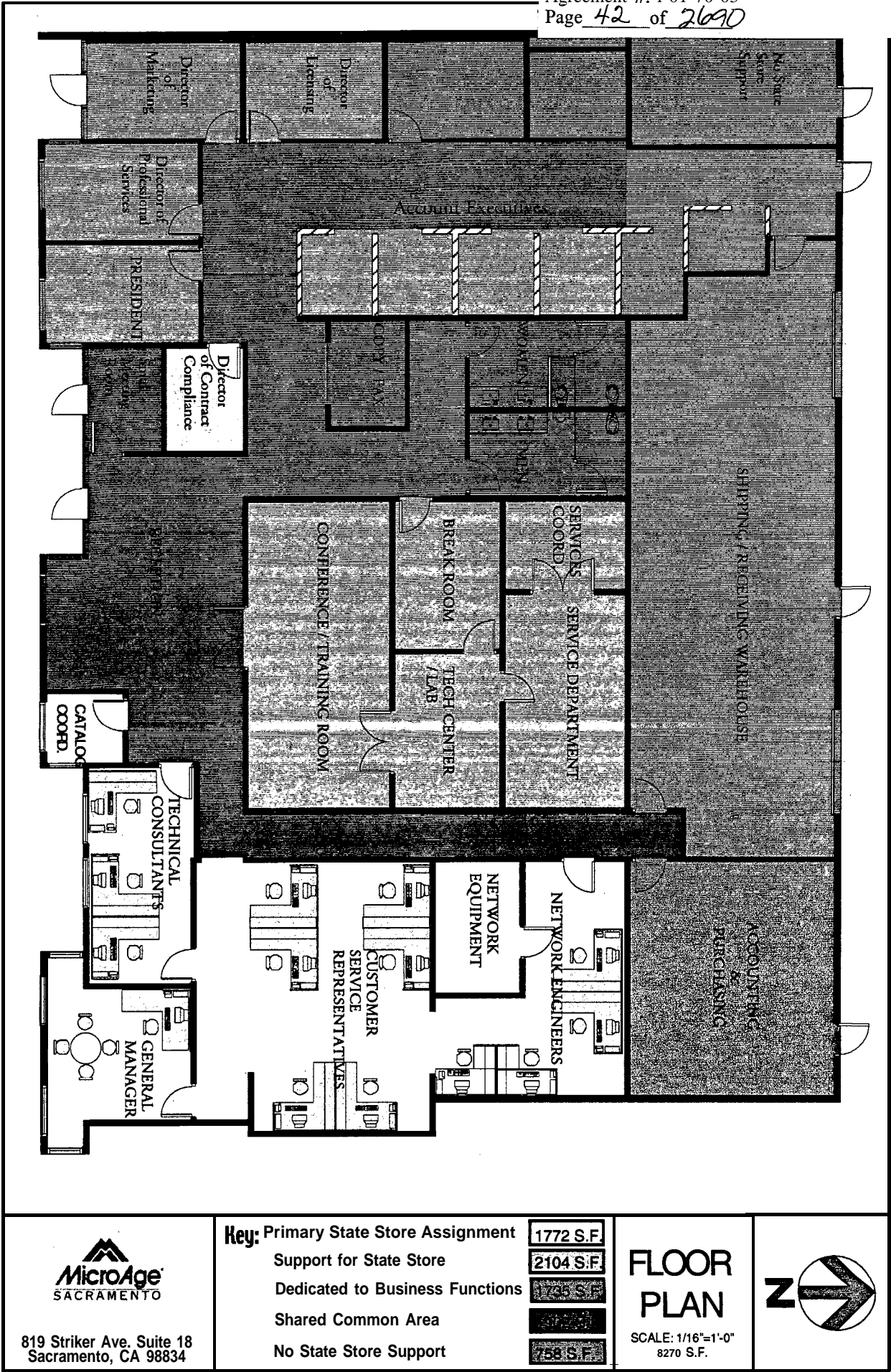


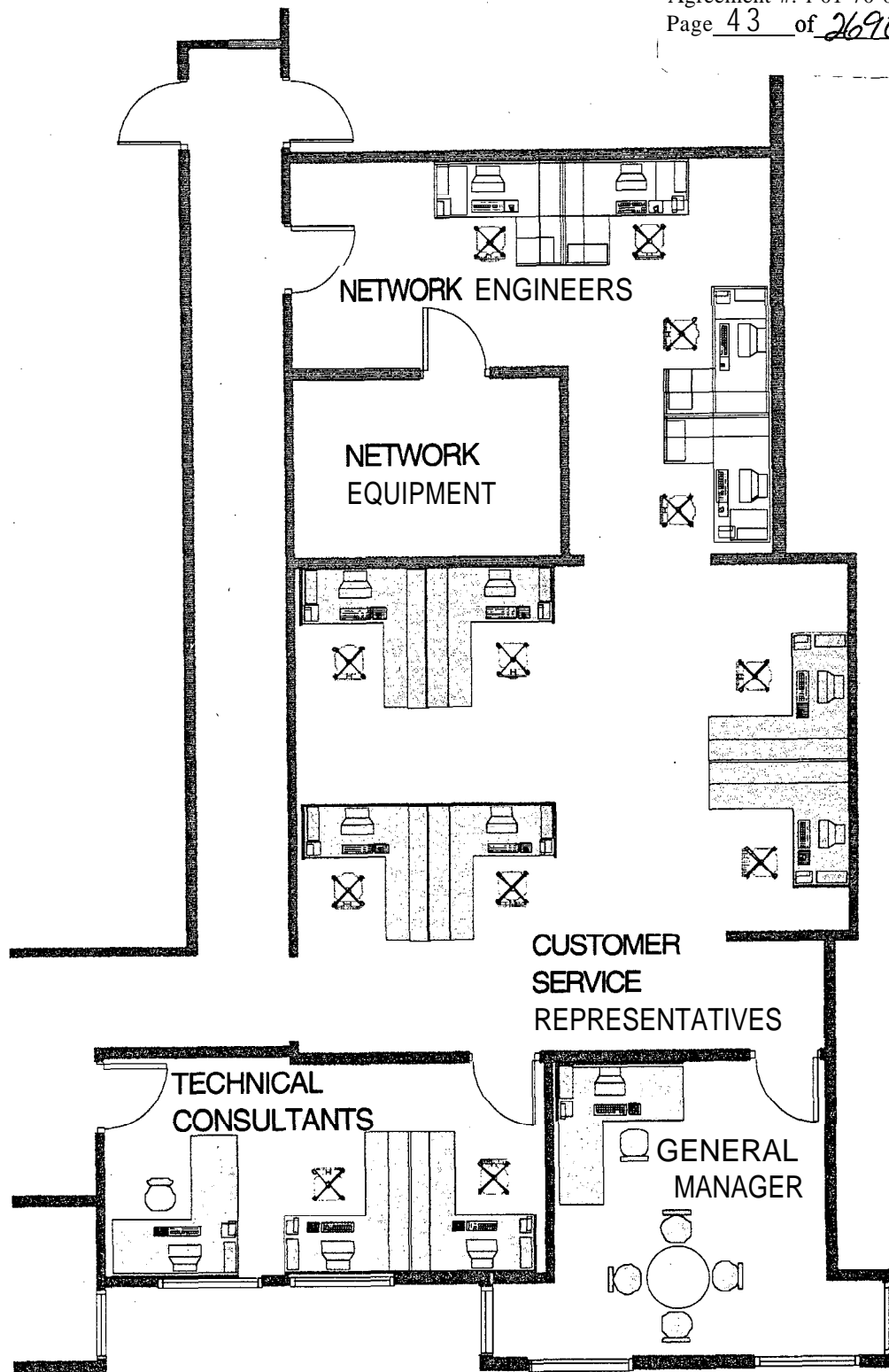
Expanded State Microcomputer Store Organization With Stand-by Personnel

Section VI,
Part Three, B3



RFP DGS 9014
Exhibit 00





PROPERTY LINE

Contractor: Marketware Technologies

Agreement #: 1-01-70-03

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Delivery

KENMAR RC

PROPERTY LINE
landscaping

MicroAge
of
Sacramento

Delivery

PROPERTY LINE

PARKING LOT

landscaping

PARKING LOT

landscaping

landscaping
PROPERTY LINE

STRIKER AVENUE

SITE PLAN

SCALE: 1"=50'



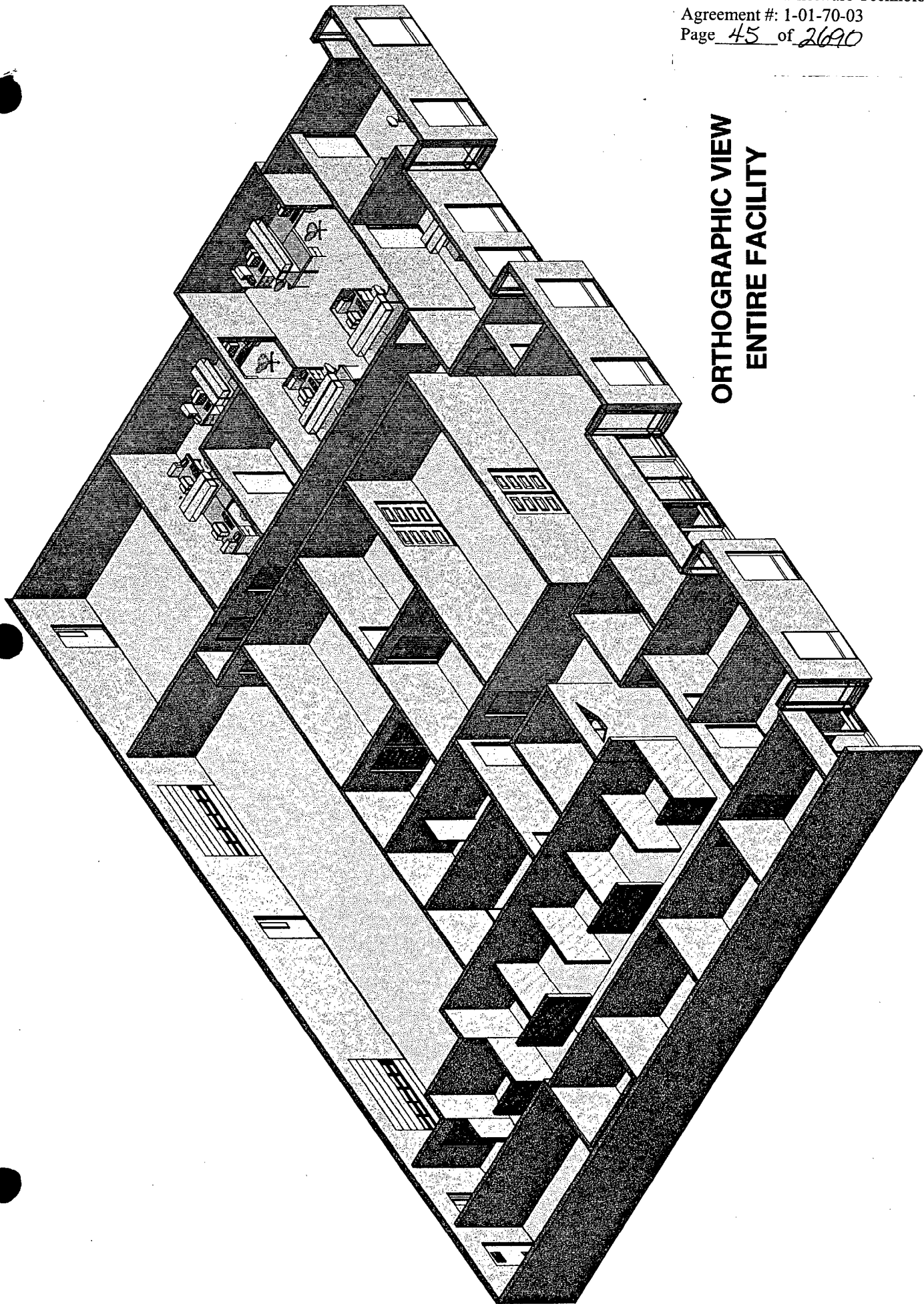
MicroAge of Sacramento: 8,270 S.F.

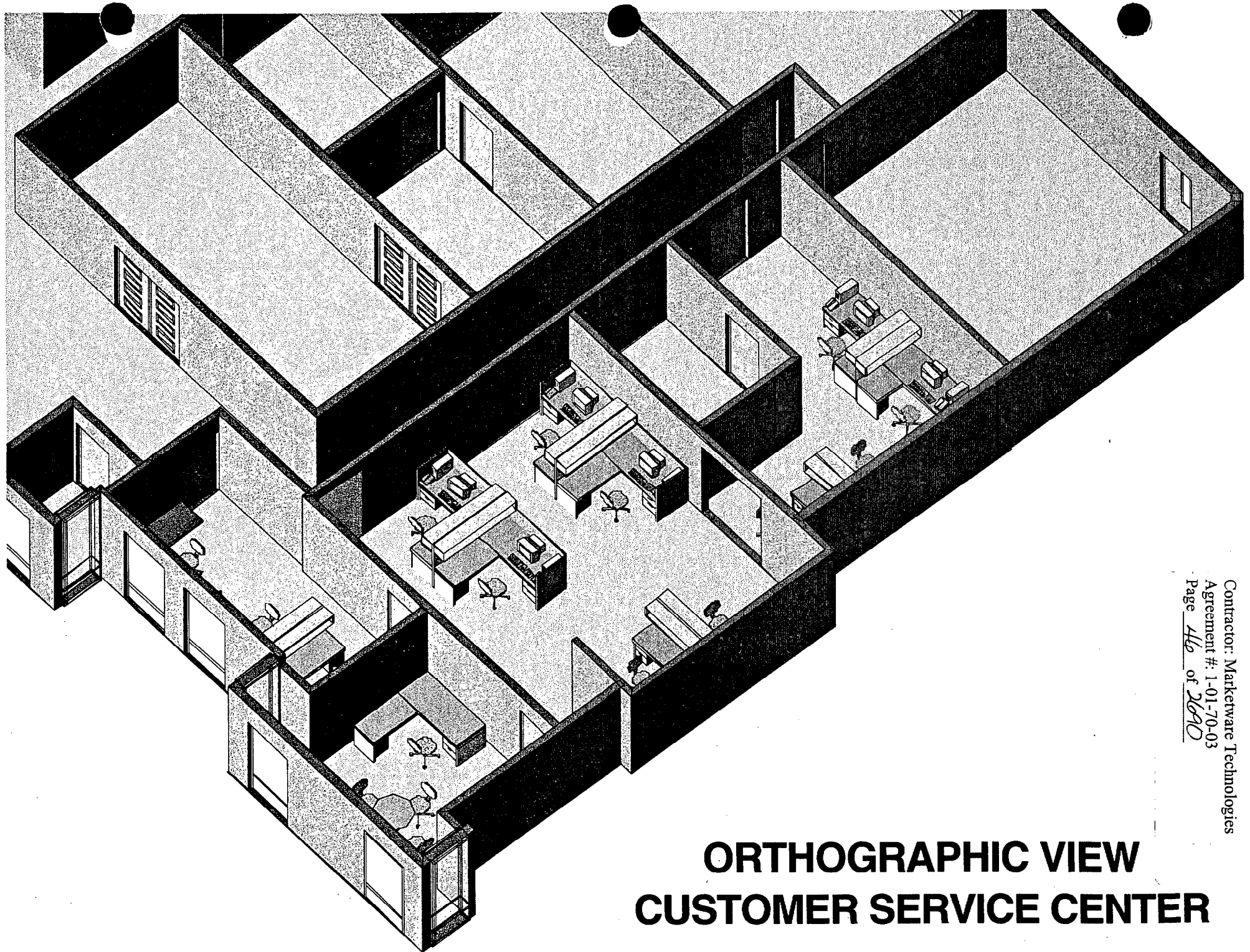
Other Building On-site: 18,402 S.F.

lot size: 1.7 acres

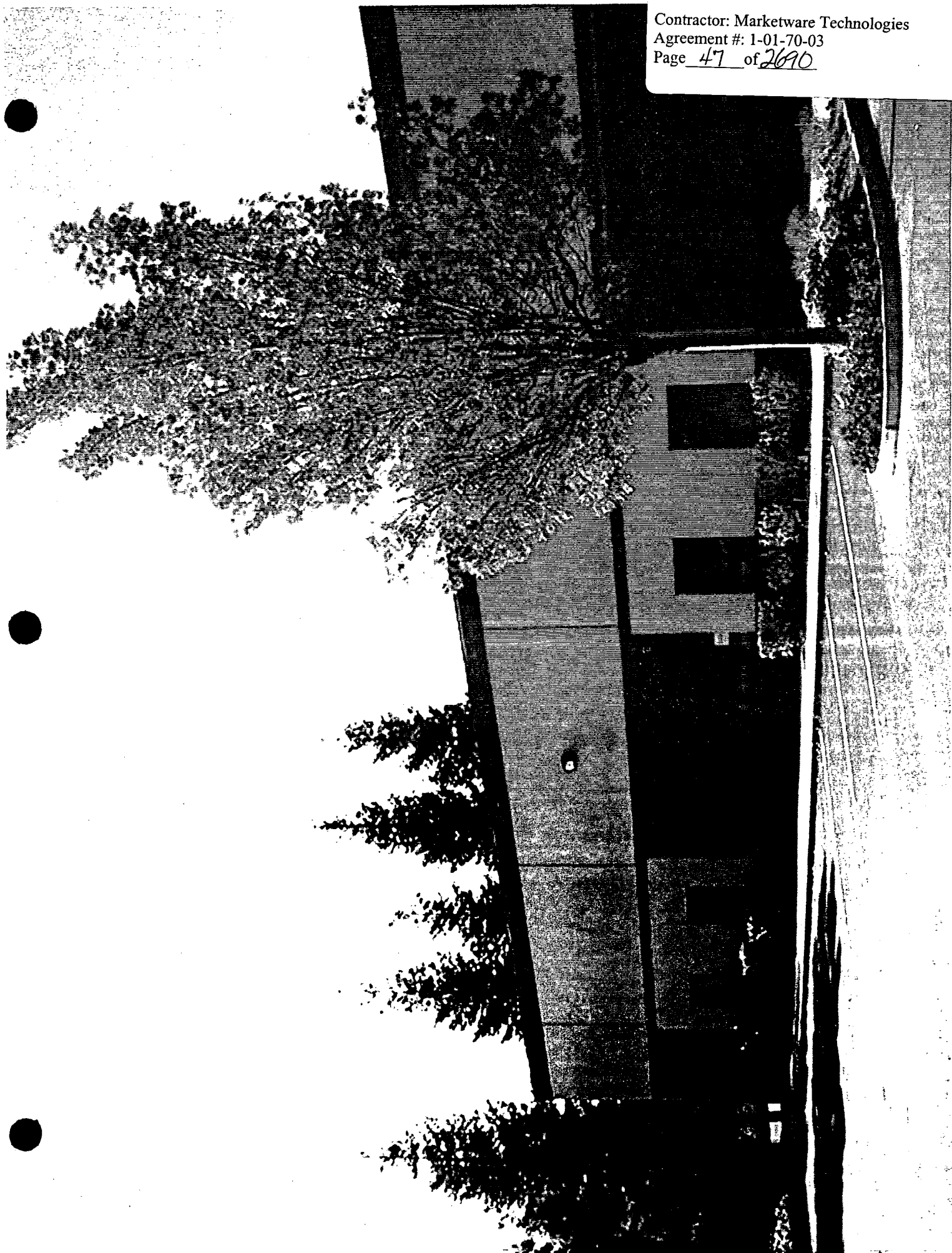
Parking : 64 Spaces

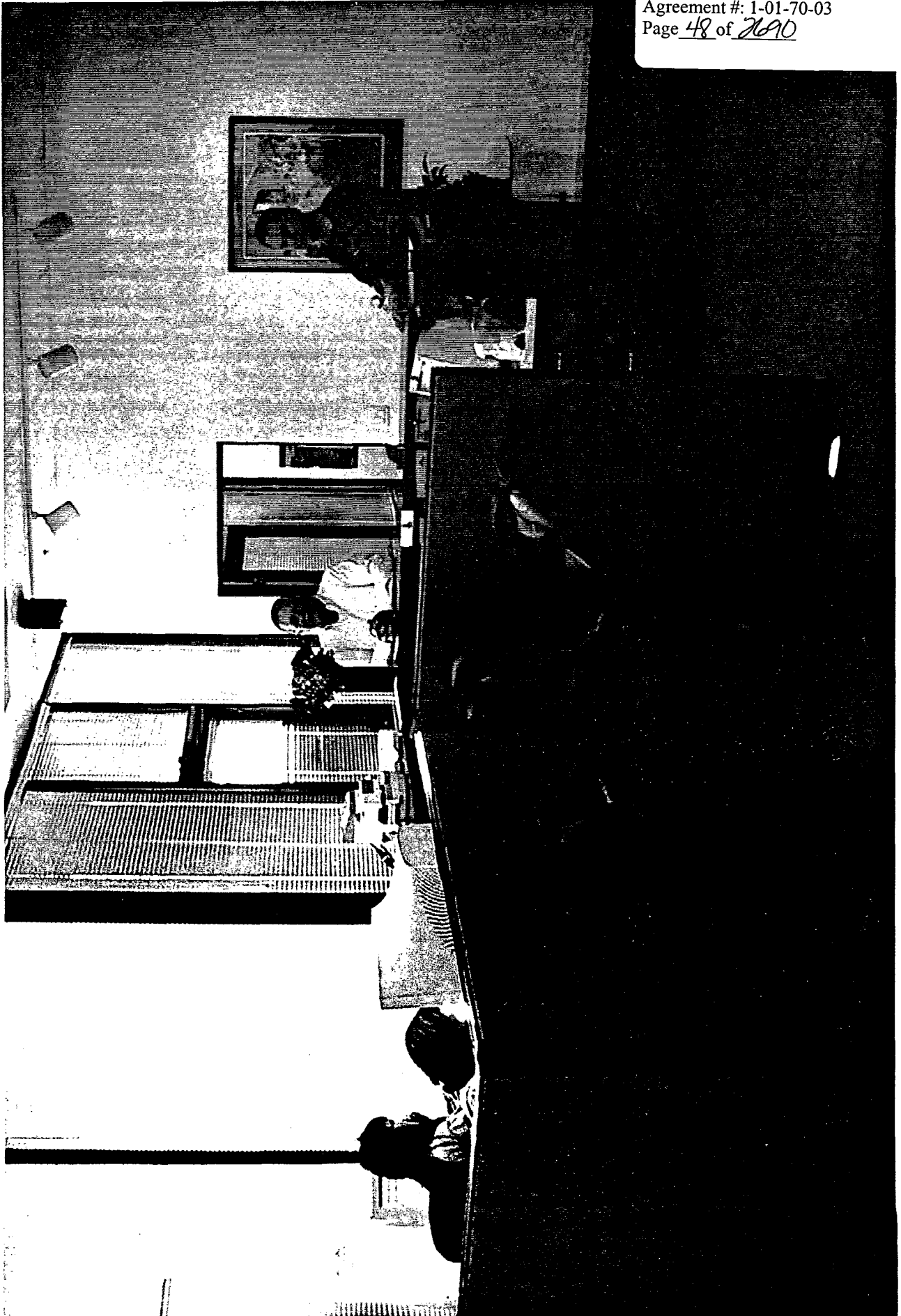
**ORTHOGRAPHIC VIEW
ENTIRE FACILITY**





ORTHOGRAPHIC VIEW CUSTOMER SERVICE CENTER





MicroAge of Sacramento provides leading edge IT products and services

